

In the Specification:

Please replace the paragraph beginning on page 4, line 31 with the following:

The correction algorithm discussed above with respect to block 14 in FIG. 1 is now described according to one embodiment of the invention. To reduce the algorithmic complexity, we assume that the standard deviations of the gate-delays are additive, i.e., we assume a perfect positive correlation between gate-delay variations along any path. If we assume that the path delay distributions remain Gaussian, then we can propagate the predetermined yield point (99% (i.e.,  $\mu+3\sigma$ ), for example) to the primary output. More specifically, we assume that

$$\mu_{1+2} + k\sigma_{1+2} = \mu_1 + k\sigma_1 + \mu_2 + k\sigma_2 \quad (1)$$

where  $\mu$  is the mean,  $\sigma$  is the standard deviation of the performance distribution of gates, and  $\mu+k\sigma$  denotes a certain level of parametric yield. This also enables us to use STA instead of SSTA to verify the  $\sigma$ -slack correctness of the circuit.